

Before the
Administrative Hearing Commission
State of Missouri



MINACT, INC.,
Petitioner,

vs.

DIRECTOR OF REVENUE,
Respondent

No. 10-1951 RI

DECISION ON REMAND

On September 22, 2010, the Director of Revenue (“the Director”) issued a final decision disallowing MINACT, Inc.’s (“MINACT”) treatment of \$455,395 of the income generated by a “rabbi trust” as nonbusiness income, i.e., income not subject to apportionment and taxation in Missouri pursuant to § 32.200, Art. IV, § 1 RSMo 2000.¹ MINACT timely appealed the Director’s final decision. On January 28, 2013, we issued a decision concluding that the income in question was not business income.

The Director appealed our decision to the Supreme Court of Missouri. On April 15, 2014, the Court issued its opinion reversing that decision.² On July 1, 2014, the Court issued its mandate remanding the case to this Commission for further proceedings to be had in conformity with the Court’s opinion. The Supreme Court of the United States denied MINACT’s petition for writ of certiorari on October 14, 2014.

¹ MINACT conceded that it should have allocated \$212,378 as business income.

² *MINACT, Inc. v. Director of Revenue*, 432 S.W.3d 182 (Mo. banc 2014).

Pursuant to the Court's opinion and mandate, we uphold the Director's final decision disallowing MINACT's treatment of \$455,395 of the income generated by the rabbi trust as nonbusiness income.

SO ORDERED on January 5, 2015.

\s\ Sreenivasa Rao Dandamudi
SREENIVASA RAO DANDAMUDI
Commissioner